

APR 4-20-2004



(A)

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SECURITIES 04019401 SION  
Washington, D.C. 20549

OMB APPROVAL	
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**ANNUAL AUDITED REPORT  
FORM X-17A-5 *Amendment*  
PART III**

SEC FILE NUMBER
8- 45660

**FACING PAGE**

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/03 AND ENDING 12/31/03  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: BALLEW INVESTMENTS, INC.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

4800 I-55 NORTH, SUITE 21

(No. and Street)

JACKSON, MS 39211

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

C. BROOKS MOSLEY

601/368-3500

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

SMITH, TURNER & REEVES

(Name - if individual, state last, first, middle name)

200 E. CAPITOL ST., SUITE 100, JACKSON, MS 39225

(Address)

(City)

(State)

**CHECK ONE:**

☒ Certified Public Accountant

☐ Public Accountant

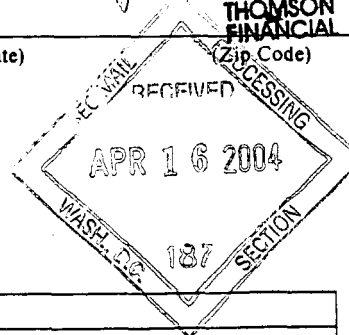
☐ Accountant not resident in United States or any of its possessions.

**FOR OFFICIAL USE ONLY**

**PROCESSED**

**APR 22 2004**

**THOMSON  
FINANCIAL**  
(Zip Code)



\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)


## OATH OR AFFIRMATION

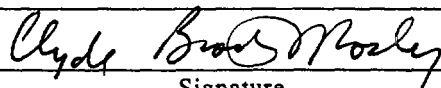
I, C. BROOKS MOSLEY, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of BALLEW INVESTMENTS, INC., as of 12/31, 2003, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_

\_\_\_\_\_

MISSISSIPPI STATEWIDE NOTARY PUBLIC  
MY COMMISSION EXPIRES SEP 10, 2007  
BONDED THRU STEGALL NOTARY SERVICE

  
Notary Public

  
Signature

Vice President - Financial Operations  
Title

This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☐ (b) Statement of Financial Condition.
- ☐ (c) Statement of Income (Loss).
- ☐ (d) Statement of Changes in Financial Condition.
- ☐ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-3 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☐ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

**BALLEW INVESTMENTS, INC.**  
**SCHEDULE I - COMPUTATION OF NET CAPITAL REQUIREMENT**  
**UNDER SEC RULE 15c3-1**  
**DECEMBER 31, 2003 AND 2002**

	<u>2003</u>	<u>2002</u>
NET CAPITAL:		
Total stockholder's equity from statements of financial condition	\$ 133,212	\$ 165,206
Deduction for nonallowable assets:		
12b-1 fees receivable	(215)	(118)
Due from affiliate	<u>(45,414)</u>	<u>(36,892)</u>
Net capital	<u>\$ 87,583</u>	<u>\$ 128,196</u>
AGGREGATE INDEBTEDNESS:		
Total aggregate indebtedness from statements of financial condition	<u>\$ 25,093</u>	<u>\$ 10,508</u>
COMPUTATION OF BASIC NET CAPITAL REQUIREMENT:		
Minimum net capital required - greater of \$5,000 or 6.67% of aggregate indebtedness	<u>\$ 5,000</u>	<u>\$ 5,000</u>
EXCESS NET CAPITAL	<u>\$ 82,583</u>	<u>\$ 123,196</u>
RATIO: AGGREGATE INDEBTEDNESS TO NET CAPITAL	<u>.287 to 1</u>	<u>.082 to 1</u>

RECONCILIATION TO ORIGINALLY FILED FOCUS REPORT

Net capital	\$ 87,583
Add:	
12b-1 fees not considered	215
Increase in due from affiliate	8,522
Increase in commission expense	3,139
Rounding difference	3
Less:	
Income tax benefit	<u>(8,522)</u>
Net capital per original Focus filing	<u>\$ 90,940</u>

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